

## SCL Nextel Radio Freq Reconfiguration Agreement

<b>Date of this Brief</b>	<b>June 8, 2010</b>		
<b>Supersedes</b>	none		
<b>Key Contacts</b>		<b>Phone</b>	<b>Short Title</b>
	Jackie Smith	684-3014	Business Unit Administrator
<b>Council Action Required?</b>	<b>Y</b>	<b>If YES, within the next 3 months?</b>	
		<b>Y</b>	
<b>Presenters</b> (if applicable)	Phil West Customer Service and Energy Delivery Officer and Bernie Ziemianek Energy Delivery Operations Director		

### Summary Statement

AN ORDINANCE relating to the City's communications system; authorizing the Superintendent of Seattle City Light to execute an agreement with Nextel West Corporation ("Nextel West"), to reconfigure certain 800 MHz radio frequencies, and ratifying and confirming certain prior acts.

### Background

Seattle City Light has been licensed to operate a specialized mobile radio system on certain 800 MHz frequency bands at the locations identified in Schedule A of the Radio Frequency Reconfiguration Agreement. The Federal Communications Commission ("FCC") issued an Order modifying its rules governing the 800 MHz bands to minimize harmful interference to public safety radio communications systems in the frequency band.

Nextel West is now the licensee under licenses granted by the FCC for the operation of these certain 800 MHz frequencies; and Seattle City Light must relinquish its license to the use of these frequencies and relocate and reconfigure its mobile radio system to the replacement frequencies.

Nextel West agrees to pay for all costs associated with the relocation and reconfiguration of the radio frequencies used by Seattle City Light.

This agreement is between Seattle City Light and Nextel West who is authorized by FCC to make sure the reconfiguration of 800 MHz Frequencies is done as mandated by FCC. The agreement describes the Seattle City Light's responsibility to reconfigure communications equipment and Nextel West's responsibility to pay for this work. It also provides the location of Seattle City Light's equipment that will be reconfigured.

### Key Issues

Pursuant to the Order, City Light must relinquish the City Light Frequencies and relocate its system to the Replacement Frequencies and Nextel must pay the reasonable and necessary cost of relocating the City Light Frequencies.

**City Light Payment Terms:** Nextel will pay City Light an amount not to exceed the Estimated Cost(s) for City Light with respect to each category of work, as set forth below. Nextel will pay City Light \$78,572.53 within 15 days (30 days if City Light elects to be paid by check rather than electronic funds transfer) after receipt by Nextel of the fully executed Agreement and fully completed City Light Information Form (as set forth on Exhibit A). Nextel will pay any outstanding balance of the Actual Costs due to City Light within 30 days after the Reconciliation Date (as "Actual Costs" and "Reconciliation Date" are defined in Section 3(b)(i)).

**Vendor Payment Terms:** Nextel will pay each Vendor an amount not to exceed the Estimated Cost(s) for that Vendor with respect to each category of work, as set forth below. Nextel will pay each Vendor within 30 days after receipt by Nextel of (A) an invoice from the Vendor and (B) City Light's approval of receipt of goods and services and approval of associated costs included on the Vendor invoice.

#### **Next Steps**

After the Ordinance is approved the agreement will be signed by all parties and registered with the Federal Communications Commission. Seattle City Light will work with ADCOMM Engineering, the consultant hired to accomplish the job, to complete steps of reconfiguration as agreed between Seattle City Light and Nextel West in the Frequency Reconfiguration Agreement. Newly installed communication equipment will be brought online and existing 800 MHz communication equipment will be turned over to Nextel West. Nextel West will make all payments to City Light and Vendors as required in the agreement.